

NOTICE OF DEPRECIATION FILING

The REGULATORY COMMISSION of ALASKA (Commission) hereby gives notice that, Homer Electric Association, Inc. (HEA) filed a depreciation study on July 27, 2009 (Docket U-09-77), proposing revised depreciation rates for HEA. HEA proposes an annual decrease of \$1,099,630 (12.30%) to its overall depreciation expenses, from \$8,942,469 to \$7,842,839.

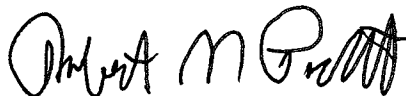
Depreciation expense is a material cost of business that may be recovered through various regulated utility rates. As a result, a change in depreciation expense might eventually lead to a change in a utility rate that consumers pay. No change in consumer rates is proposed at this time by this filing.

The Commission may approve, deny, or modify, in whole or in part, the depreciation rates proposed by HEA. The Commission may set conditions on approval. You may obtain more information about these filings from Jim Patras, Regulatory Affairs Coordinator, Homer Electric Association, Inc., 3977 Lake Street, Homer, AK 99603-7680, telephone 907-235-3303, or email at jpatras@homerelectric.com. You may inspect the filing at the Commission's office at 701 W. 8th Avenue, Suite 300, Anchorage, Alaska 99501; phone number (907) 276-6222; or at the commission's website at www.rca.alaska.gov by typing Docket "U-09-077" in the Find a Matter search box.

To comment on the depreciation study, please file your comments with the Commission and HEA, referencing to Docket U-09-77, by September 3, 2009, and include a statement that you have filed a copy of the comments with HEA. You may also file your comments via our website at <https://rca.alaska.gov/RCAWeb/WhatsNew/PublicNoticesComments.aspx>. Individuals or groups of people with disabilities, who require special accommodations, auxiliary aids or service, or alternative communication formats, please contact Joyce McGowan at (907) 276-6222, toll-free at 1-800-390-2782, or TTY (907) 276-4533 or send a request via electronic mail to rca.mail@alaska.gov by August 24, 2009.

DATED at Anchorage, Alaska, this 4th day of August, 2009.

REGULATORY COMMISSION OF ALASKA



Robert M. Pickett
Chairman